In the Specification:

Please amend the specification as follows. Pursuant to the Revised Format of Amendments, no version with markings to show the changes is submitted herewith.

Please amend the paragraph beginning at page 1, line 2 as follows.

The present invention relates to ~~for~~ encoding successive input picture signals, and in particular, to a moving picture encoding apparatus for suppressing deterioration of picture quality due to loss of encoded data at occurrence of a transmission error.

Please amend the paragraph beginning at page 1, line 26 as follows.

Motion estimating section 104 detects, on receiving an input image signal 116, a set of motions between frames according to signal 116 and a reference image signal 117 stored in memory 105 to thereby produce motion vectors 118. Motion estimating section 104 calculates for each block in input image signal 116 an error power signal 119 between the block and a block in reference image signal 117, the blocks being at an identical or associated position in the respective signals. ~~Section~~ Motion estimating section 104 outputs signal 119 to refresh map generating section 102. Section 102 determines a higher priority level of forced refresh for a block of which signal 119 exceeds a threshold value and produces a refresh map signal 120 indicating a forced refresh priority level of the block. Refresh signal generator 103 produces a refresh signal 122 specifying a block for the forced refresh according to refresh map signal 120 and an allowed block count signal 121 indicating the number of blocks for which a forced refresh operation can be conducted in one frame. Generator 103 then sends refresh signal 122 to mode controller 108 controlling an encoding mode of each block. Allowed block count signal 121 is provided as an external signal according to a transmission environment of encoded data. When the number of refresh blocks is increased, although

*Q*2 ability to conceal errors is increased, the encoding efficiency is deteriorated. Allowed block count signal 121 is a signal indicating a quantity of signals uniquely determined by a tradeoff between the error concealing ability and the encoding efficiency.

Please amend the paragraph beginning at page 3, line 3 as follows.

*Q*3 When mode controller 108 is receiving refresh signal 122 from generator 103, controller supplies a selection control signal 125 to block selector 109 to select the intra-frame encoding for a block specified by refresh signal 122. Block selector 109 accordingly selects a block (data) of input image signal ~~101~~ 116 and supplies the data to 2D discrete cosine transformer 110. When not receiving refresh signal 122 from generator 103, mode controller 108 sends, if error signal 124 has a value equal to or less than a predetermined threshold value, selection control signal 125 to block selector 109 to select an inter-frame forecast encoding. In response thereto, selector 109 selects a block (data) of error signal 124 and feeds the data to cosine transformer 110. When not receiving refresh signal 122 from generator 103, mode controller 108 sends, if error signal 124 has a value more than a predetermined threshold value, selection control signal 125 to block selector 109 to select intra-frame ~~forecast~~ encoding. Selector 109 responsively selects a block (data) of input image signal ~~101~~ 116 and feeds the data to cosine transformer 110.